

Los Alamos

NATIONAL LABORATORY

memorandum

Los Alamos Neutron Science Center
TA-53 Facility Management Office

To/MS: Roger Pynn, DDLANSCE, H845
From/MS: Jim Fraser, LANSCE-FM, H814
Phone/FAX: 665-2584 / 665-4825
Symbol: LANSCE-FM:98-027
Date: March 16, 1998

Subject: Facility Management Steering Council (FMSC) Meeting Minutes, Mar 13, 1998

Attending:

Voting Members: Roger Pynn, DDLANSCE (Chair)
Martha Zumbro, LANSCE-6
Michael Fazio, LANSCE-9
Joyce Roberts, LANSCE-12
Susan Seestrom, P-23
Dan Rusthoi (for Jim Anderson, APT-TPO)
Gene Peterson, CST
Jim Fraser, LANSCE-FM

Nonvoting Members: Dennis McLain, FSS-9
Eric McNamara, ESH-DO
Dick Werbeck, LANSCE-7
K. Aaron Menefee, BUS-2/ LANSCE
Herman Vogt, BUS-2/ LANSCE
Ken Schlindwein, LANSCE-FM
John Graham, LANSCE-FM
Robin Cyr, LANSCE-FM
Melinda Gutierrez, LANSCE-FM
Pam Vigil, LANSCE-FM
Roger Cardon, FSS-9
Duane Nizio, FSS-9
Scott Walker, ESH-1
Jeff Schinkel, P-23
Frances Chadwick, APT-TPO
Dallas Theobald, FSS-ICMO/Sonolysts
Mitch Harris, FSS-ICMO/Sonolysts

Absent:

Voting Members: None.
Nonvoting Members: Susan Mathews-King, DOE/LAAO

Action Items

Facility Manager Analyze cost data for end of Feb and report to FMSC at the next meeting.

Council Discuss and approve Facility Management FY99/2000 budget.

Discussion

1. Jim Fraser (Facility Manager) presented proposed charters for two subcommittees; the Space Allocation subcommittee and the Facility Project Review subcommittee.
 - A. Space Allocation subcommittee charter focuses effort on efficient use of existing space. They would review current use of all space and make recommendations to the landlord (and FMSC) on reallocations or existing space.
 - B. Facility Project Review subcommittee charter focuses primarily on UNFUNDED facility projects. This subcommittee will also help develop a facility project process. In specific, this subcommittee will:
 - 1.) Prioritize all unfunded facility projects (Line Item Projects, General-Plant Projects, and Expense-Funded projects) and submit the list to the FMSC for approval.
 - 2.) Identify potential funding sources for facility projects (project funding for major maintenance, modification, or upgrade construction is not included in the FM budget).
2. Jim presented the proposed membership for each subcommittee. Membership will be:
 - A. FM will chair subcommittees as agreed at Feb 98 meeting.
 - B. Voting member from FMSC will serve on each subcommittee **(Council decided to rotate the voting member to reduce impact on already busy schedules. FM will propose rotation schedule and work off-line via e-mail).**
 - C. Each tenant group can provide a member to the subcommittee. This could result in a very large meeting but expectations are that a dedicated core will develop and tenants would come sporadically. Since both subcommittees are recommending bodies (with majority/minority recommendations), size isn't as important as in the FMSC.
 - D. Tenant representatives should come from group-level (group leader or deputy) or the Operations Officer.
 - E. All members need to remain focused on the task and be able to work together.

Council had few comments amending charters or membership criteria (except as noted above). Landlord approved establishing subcommittees as presented.

3. Jim Fraser presented a corrected FY98 FM budget "pie chart" to the Council.
 - A. Jim corrected last month's presentation by commenting that another major cost area for the FM recharge budget is Division support (didn't have correct numbers on last month's chart). Division support constitutes \$1.2M (15%) of the budget and is the second largest cost area after Maintenance & Operations (52%). Division support covers FM-related expenses such as the analyst (Herman Vogt at ~ 2/3 time), oversight of the FM budget by

the business team leader (Aaron Menafee), and management by the landlord. Clearly, FM-related activities leave considerable funding available for other things.

- B. Jim suggested the FMSC consider using residual division support funding to pay for major maintenance, modification, and upgrade projects. None of these projects are covered by FM recharge budget. Another suggestion might be to hire a safety consultant to help implement a behavior-based safety program as part of our Integrated Safety Management program. These are options for the FMSC to work in concert with the Division office.
- C. Jim presented the FY98 expense rate. End of Feb 98 data indicated a monthly cost of \$1.048M compared to typical monthly costs of \$650K-700K. This represents a significant cost increase. Complicating the analysis was the recently enacted direct funding for four large work orders instead of space recharge. Ken Schlindwein, Maintenance & Operations Team Leader, commented that he has taken action to reduce the size of the resident craft to cut maintenance expenses. In addition, the extended maintenance period permitted more FM activities than our comparison line in FY97.

Landlord expressed serious concern over the increase in costs. He directed the FM to determine why the costs went up and what can be done to stay within the current budget.

- 4. Jim donned his flak jacket and presented the FY99/2000 budget. He mentioned that this budget request was already submitted to BUS & FSS in accordance with the BUS/DD call letter. When submitted he told the institution that the budget was subject to change after FMSC and landlord review and approval.

- A. Jim opened the discussion by passing out an excerpt of the DOE annual evaluation of the Laboratory. In the DOE evaluation they commented:

“It is clearly the responsibility of the facility managers to come up with realistic budgets that will ultimately meet government asset management expectations. However, the team could not find in the score-cards of upper management (primarily division directors) the accountability that proper budgets are secured.” FY97 LANL Appraisal, pg. 159

Jim pointed out that the FM group developed this budget request by analyzing work load and needs of the plant. The request is not padded to accommodate expected cuts. If budget cuts are made, Jim requested the council identify equivalent work for omission.

- B. The FY99 budget request is for \$10.4M. This is a \$2.06M (24%) increase over FY97 costs. Cost increases were shown in the following areas:
 - 1.) Radiation Protection: \$50K for equipment upgrade in the counting lab.
 - 2.) Inflation: \$330K based on a 4% guidance from BUS in call letter.
 - 3.) Project Program Management: \$200K for Configuration Management (\$100K in budget, need \$400K to implement), Project Controls Tech (\$70K), and strategic planning (\$30K).

- 4.) Maintenance & Operations: Support to LANSCE-7 for 30-Ton forklift operator (1 FTE) and maintenance costs (\$107K), fire protection inspection testing & maintenance (\$188K), annualized breaker maintenance program (\$200K), system modifications for year 2000 bug (\$185K), and work control (\$55K in budget, need \$80K).
 - 5.) Management & Administration: Deputy Group leader (\$158K), on-call pay for FM designees (\$22K).
 - 6.) Safety Program: Distributed ES&H costs (\$400K), issues manager (\$100K), and emergency notification system (\$65K).
5. Roger Pynn (Landlord) asked to reconvene the meeting to discuss and approve a FY99/2000 budget within 2 weeks. FM will coordinate a voting-members-only meeting to fully discuss and approve the FY99 budget.
 6. Jim finished the remaining slides after Roger left and made the following points:
 - A. Jim needs budget approval soon (by 3rd week in Mar) so the correct number can be sent to BUS/FSS in time for their submission to John Browne by Apr 1.
 - B. Institution is pursuing direct funding for all FMs in FY99. This was tried in FY98 and failed.
 - C. Once the budget is set, the FMSC will need to decide on how to fund the budget. It can be funded a variety of ways using direct funding and space recharge. If space recharge is selected, the Council will need to decide how many square foot rates to establish.

Respectfully submitted,

Jim Fraser

James R. Fraser
TA-53 Facility Manager

Attachment

1. Presentation Slides